

News Release

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The Conference Board Leading Economic Index® (LEI) for the U.S. Increased in December

This month's release incorporates annual benchmark revisions to the composite economic indexes, which bring them up-to-date with revisions in the source data. These revisions do not change the cyclical properties of the indexes. The indexes are updated throughout the year, but only for the previous six months. Data revisions that fall outside of the moving six-month window are not incorporated until the benchmark revision is made and the entire histories of the indexes are recomputed. As a result, the revised indexes, in levels and month-on-month changes, will not be directly comparable to those issued prior to the benchmark revision.

For more information, please visit our website at <http://www.conference-board.org/data/bci.cfm> or contact us at indicators@conference-board.org

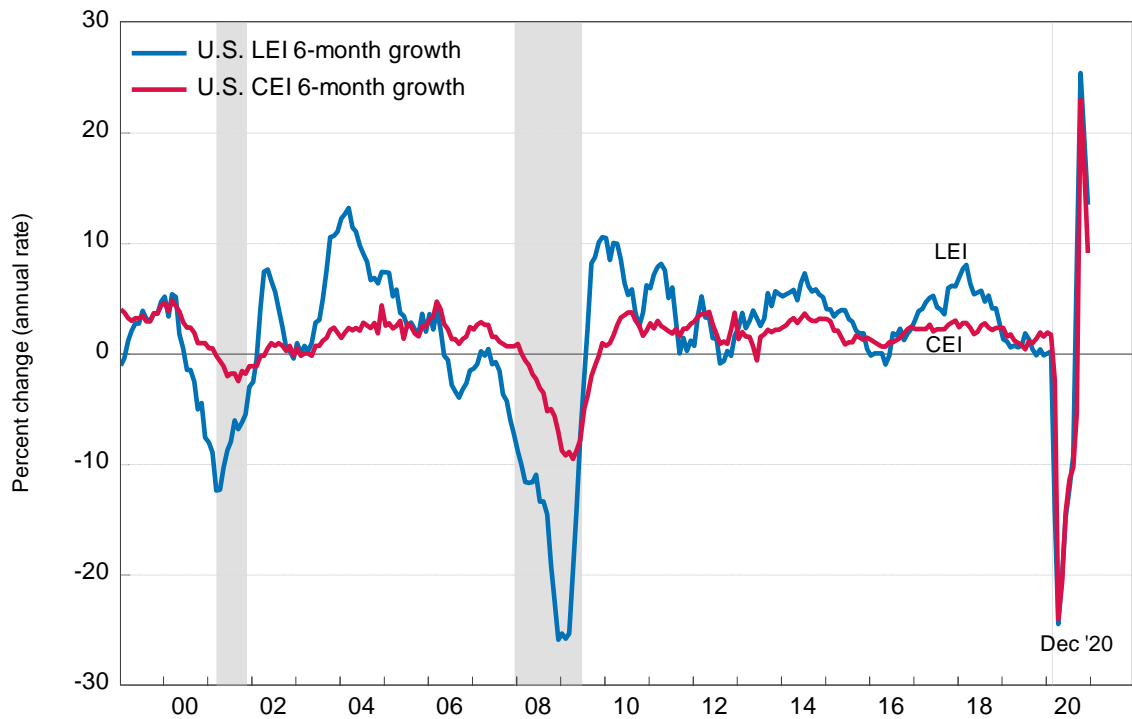
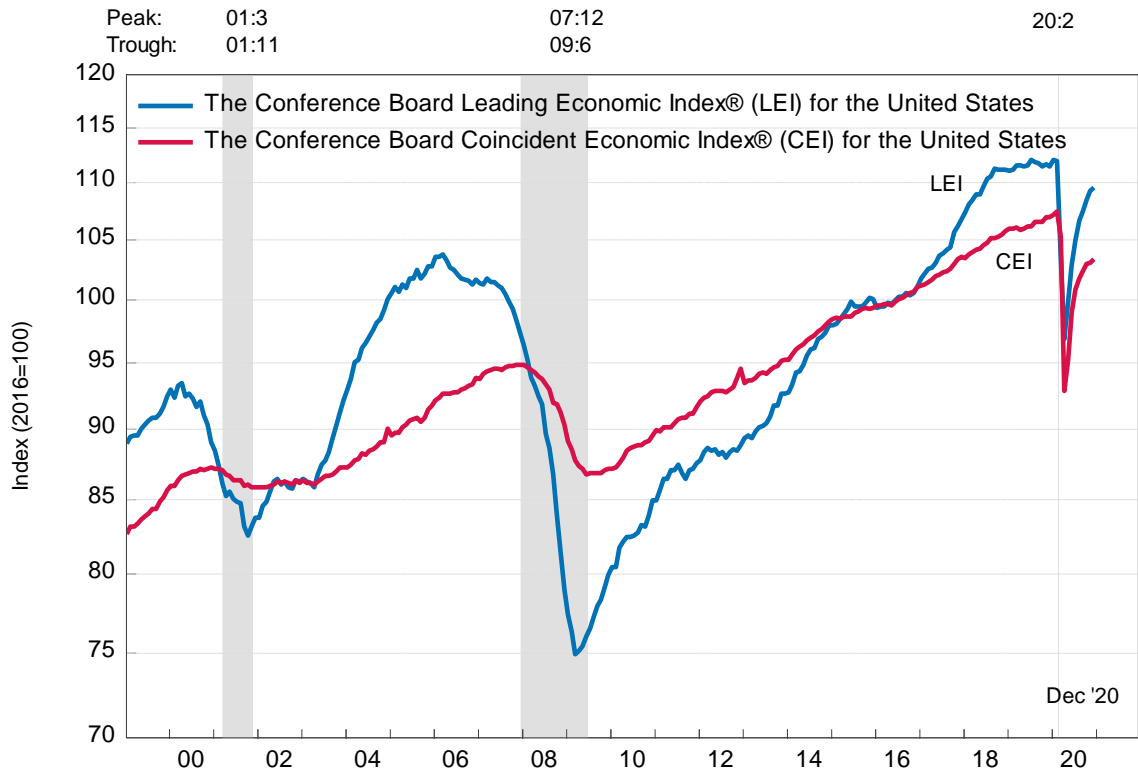
NEW YORK, January 28, 2021...The Conference Board Leading Economic Index® (LEI) for the U.S. increased 0.3 percent in December to 109.5 (2016 = 100), following a 0.7 percent increase in November and a 0.9 percent increase in October.

“The US LEI’s slowing pace of increase in December suggests that US economic growth continues to moderate in the first quarter of 2021. Improvements in the US LEI were very broad-based among the leading indicators, except for rising initial claims for unemployment insurance and a mixed consumer outlook on business and economic conditions,” said Ataman Ozyildirim, Senior Director of Economic Research at The Conference Board. “While the resurgence of COVID-19 and weak labor markets remain barriers to growth, The Conference Board expects the economy to expand by at least 2.0 percent (annual rate) in Q1 and then gain momentum throughout the year.”

The Conference Board Coincident Economic Index® (CEI) for the U.S. increased 0.3 percent in December to 103.3 (2016 = 100), following a 0.1 percent increase in November and a 0.6 percent increase in October.

The Conference Board Lagging Economic Index® (LAG) for the U.S. increased 0.1 percent in December to 107.6 (2016 = 100), following a 0.1 percent increase in November and a 0.2 percent increase in October.

The Conference Board Leading Economic Index® (LEI) for the U.S. Increased in December



Latest LEI Trough March 2009, Latest CEI Trough June 2009

Shaded areas represent recessions as determined by the NBER Business Cycle Dating Committee.

Source: The Conference Board

Summary Table of Composite Economic Indexes

	Oct	2020		Nov	Dec	6-month Jun to Dec
Leading Index	108.4			109.2 r	109.5 p	
Percent Change	0.9 r			0.7 r	0.3 p	6.5
Diffusion	85			80	70	90
Coincident Index	102.9 r			103.0 r	103.3 p	
Percent Change	0.6			0.1 r	0.3 p	4.4
Diffusion	100			75	75	100
Lagging Index	107.4 r			107.5 r	107.6 p	
Percent Change	0.2 r			0.1 r	0.1 p	-1.4
Diffusion	35.7			50.0	35.7	35.7

p Preliminary r Revised

Indexes equal 100 in 2016

Source: The Conference Board

About The Conference Board Leading Economic Index® (LEI) for the U.S.

The composite economic indexes are the key elements in an analytic system designed to signal peaks and troughs in the business cycle. The leading, coincident, and lagging economic indexes are essentially composite averages of several individual leading, coincident, or lagging indicators. They are constructed to summarize and reveal common turning point patterns in economic data in a clearer and more convincing manner than any individual component – primarily because they smooth out some of the volatility of individual components.

The ten components of **The Conference Board Leading Economic Index®** for the U.S. include:

Average weekly hours, manufacturing

Average weekly initial claims for unemployment insurance

Manufacturers' new orders, consumer goods and materials

ISM® Index of New Orders

Manufacturers' new orders, nondefense capital goods excluding aircraft orders

Building permits, new private housing units

Stock prices, 500 common stocks

Leading Credit Index™

Interest rate spread, 10-year Treasury bonds less federal funds

Average consumer expectations for business conditions

For full press release and technical notes:

<http://www.conference-board.org/data/bcicountry.cfm?cid=1>

For more information about The Conference Board global business cycle indicators:

<http://www.conference-board.org/data/bci.cfm>

About The Conference Board

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